

**EVENT VIOLATION**  
**INSPECTOR'S STATEMENT**  
**MINERALS REGULATORY PROGRAM**

Company/Mine: Staker and Parson Companies  
Permit #: M/049/032

CO # MC-05-01-11(1)  
Violation # 1 of 1

**SERIOUSNESS**

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of event below and remember that **the event is NOT the same as the violation**. Mark and explain each event.

- |                                     |    |  |
|-------------------------------------|----|--|
| <input type="checkbox"/>            | a. | Activity outside the approved permit area.                     |
| <input type="checkbox"/>            | b. | Injury to the public (public safety).                          |
| <input type="checkbox"/>            | c. | Damage to property.  |
| <input checked="" type="checkbox"/> | d. | Conducting activities without appropriate approvals.           |
| <input type="checkbox"/>            | e. | Environmental harm.  |
| <input type="checkbox"/>            | f. | Water pollution.   |
| <input type="checkbox"/>            | g. | Loss of reclamation/revegetation potential.                    |
| <input type="checkbox"/>            | h. | Reduced establishment, diverse and effective vegetative cover. |
| <input type="checkbox"/>            | i. | No event occurred as a result of the violation.                |
| <input checked="" type="checkbox"/> | j. | Other.   |

Explanation: The operator has failed to complete the permit transfer and provide replacement surety for this site. The Division was notified on June 8, 2002 that this permit was acquired by Staker & Parson Companies from Valley Asphalt.

2. Has the event or damage occurred? Yes  
If yes, describe it. If no, what would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

Explanation: Annual reports for 2002 and 2003 indicated that Staker & Parson operated this site.

3. Did any damage occur as a result of the violation? No

4. If yes, describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not been discovered by a DOGM inspector? Describe this potential damage and whether or not it would extend off the disturbed and/or permit area.

Explanation: \_\_\_\_\_

**B. DEGREE OF FAULT** (Check the statements which apply to the violation and discuss).

- ☐ Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation: \_\_\_\_\_

- ☒ Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care.

Explanation: The operator has expressed that their only interest in the site at this time is to reclaim the site (no further mining). As such, they do not want to transfer the permit.

- ☐ If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation: \_\_\_\_\_

- ☒ Was the operator in violation of a specific permit condition?

Explanation: On April 28, 2004, the Division issued a Notice of Non-compliance/Division Directive, instructing Staker & Parson Companies to complete the transfer of the permit into their name and to submit a replacement reclamation surety.

- ☒ Has DOGM cited the violation in the past? If so, give the dates and the type of warning or enforcement action taken.

Explanation: See explanation above.

Was any economic benefit gained by the operator for failure to comply? Yes  
If yes explain.

Explanation: The operator has not acquired the requisite reclamation surety of \$327,200.00 for this site.

**GOOD FAITH**

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give date) and describe the measures the operator took to comply as rapidly as possible.

Explanation: \_\_\_\_\_

2. Explain whether or not the operator had the necessary resources on site to achieve compliance.

Explanation: No specific resources required to execute a permit transfer. Considering the apparent corporate strength of Staker & Parson Companies, I would expect they have sufficient resources to acquire the replacement surety for this site.

3. Was the submission of plans prior to physical activity required by this NOV / CO? No If yes, explain.

Explanation: \_\_\_\_\_

Lynn Kunzler  
Authorized Representative

  
Signature

August 11, 2005  
Date